

FEDERAL COMMUNICATIONS COMMISSION

Washington, D. C. 20554

JAN 14 1999

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OFFICE OF
MANAGING DIRECTOR

86-285

Ms. Diane Newman
President
JLR Communications, Inc.
P.O. Box 880
10A Village Square
Moneta, VA 24121

Re: Request for Waiver of Regulatory Fee
Radio Stations WLQE-FM and WVLR-AM

Dear Ms. Newman:

This is in response to your request for relief from the Fiscal Year 1998 regulatory fees for Radio Stations WLQE-FM, Bedford, Virginia, and WVLR-AM, Moneta, Virginia. You assert that the stations have a cash flow problem and that imposition of the fees would create a severe financial hardship.

In establishing its regulatory fee program, the Commission recognized that in certain instances payment of a regulatory fee may impose an undue financial hardship upon a licensee. Thus, the Commission decided to grant waivers or reductions of its regulatory fees in those instances where a "petitioner presents a compelling case of financial hardship." Implementation of Section 9 of the Communications Act, 9 FCC Rcd 5333, 5346 (1994), reconsideration granted, 10 FCC Rcd 12759 (1995). The Commission further held that regulatees can establish financial need by submitting:

[I]nformation such as a balance sheet and profit and loss statement (audited, if available), a cash flow projection . . . (with an explanation of how calculated), a list of their officers and their individual compensation, together with a list of their highest paid employees, other than officers, and the amount of their compensation, or similar information.

10 FCC Rcd at 12761-2762.

In determining whether a licensee has sufficient revenues to pay its regulatory fees, the Commission relies upon a licensee's cash flow, as opposed to the entity's profits. Thus, although deductions for amortization and depreciation, which do not affect cash flow, and payments to principals, reduce gross income for tax purposes, those deductions also represent money which is considered to be available to pay the regulatory fee.

Ms. Diane Newman, President

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In the absence of specific documentation, you have failed to establish a compelling case of financial hardship. Therefore, your request for relief from the regulatory fees assessed JLR Communications is dismissed. The FY 1998 regulatory fees for Radio Stations WLQE and WVLR are now due. The aggregate total fee of \$900 should be filed together with a completed FCC Form 159 (copy enclosed) within 30 days from the date of this letter.

However, in view of your allegations of financial hardship, in the alternative, you may file a request for a further deferment and waiver of the regulatory fee payment, together with appropriate supporting documentation establishing a basis for a fee waiver, within thirty days from the date of this letter.

If you have any question concerning the regulatory fees, please call the Chief, Fee Section, at (202) 418-1995.

Sincerely,



Mark Reber
Chief Financial Officer

Enclosure: FCC Form 159

000000 BCB-98-984

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SEP 11 8 19 AM '98
FEDERAL COMMUNICATIONS
COMMISSION

Monday, September 7, 1998

TO: Office of the Managing Director
Federal Communications Commission
1919 M Street NW Room 450
Washington DC 20554
Att: Regulatory Fee Deferral/Waiver Reduction Request

FR: JLR Communications, Inc.
Licensee of WLQE-FM & WVLR-AM
P.O. Box 880
10A Village Square
Moneta, VA 24121

RE: REQUEST FOR DEFERRMENT OF REGULATORY FEES
WLQE-FM ID NO. 15188 \$600 MFB8
WVLR-AM ID NO. 31212 \$300 MBAR

At this time we are requesting the annual regulatory fees be deferred without interest in the total amount of \$900. While we appreciate that this is a reduction of \$200 from last year's fees we are unable to pay without severe hardship.

Our request is based on a severe cash flow problem due to necessary operational expenses and serious technical repairs to keep the stations functioning while a contract is being negotiated for an assets only purchase and application for transfer of control of the licenses.

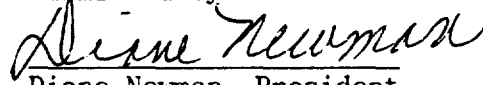
The increasing difficulty to operate without adequate capitalization to cover a series of technical problems over the past six months has caused us to have to put the properties up for sale.

JLR Communications, Inc. is seeking the cooperation of several creditors to not pursue collection on debts at this time to allow us to continue to operate. While we do not expect waivers or write offs, we do need cooperation until the purchase is complete so that we can continue to stay on the air. If we are unable to get cooperation it will result in a bankruptcy proceeding and the likelihood of both JLR Communications, Inc. stations and our LMA of WLVA-AM owned by Madison Broadcasting Group, Inc. going off the air until purchased.

Our stations provide the only adult standards format and service to citizens of Bedford as well as the Roanoke-Lynchburg market population over the age of 50.

Please see attached request from Madison Broadcasting Group, Inc.

Submitted by:


Diane Newman, President
JLR Communications, Inc.